Effect of decrease in cotton production on textile industry

3708. SHRI P.K. MAHESHWARI: Will the Minister of TEXTILES be pleased to state:

(a) the effect of the shortfall in the production of cotton on textile industry in the country;

(b) the quantity of cotton imported this year;

(c) the names of the countries from where the cotton was imported during the last three years along with the quantity imported from each of the country; and

(d) what arrangements are being made to meet the likely increase in exports in the textile industry in the coming years?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) During the current cotton year (October 2004-September 2005), production of cotton is estimated at an all time high of 232 lakh bales (of 170 Kg each). Total domestic availability of cotton is estimated at 253 lakh bales (including carryover stock of 21 lakh bales and production of 232 lakh bales) and the domestic consumption is estimated at 198 lakh bales.

(b) Import of cotton during the current cotton year 2004-05 is estimated at 6 lakh bales as compared to 7.21 lakh bales imported during 2003-04 cotton season.

(c) Import of cotton from some of the major countries are as under:

(Quantity: in Tonnes)

Country	Apr. 2002-Mar. 03	Apr. 2003-Mar. 04	Apr. 2004-Jan.05
Australia	11,622	2,910	2,977
Benin	9,675	11,030	7,291
Burkina Faso	8,011	5,360	5,620
Egypt	25,109	33,952	13,182
Cote D' Ivoire	10,164	5,294	4,847
Mali	17,789	20,883	6,365
Sudan	2,918	10,668	3,221
Tanzania	9,918	6,351	22,920
USA	74,449	93,010	37,145
Uzbekistan	4,191	5,715	2,885

Source: Foreign Trade Statistics of India, DGCS, Kolkata.

(d) Government has taken a number of steps to facilitate export of cotton textiles. Technology Mission on Cotton, Technology Upgradation Fund Scheme, Apparel Parks for Export and Textile Centre Infrastructure Development Scheme are a few of the such steps.

Efforts of Indian textile exporters to move up the value chain

3709. SHRI TARIQ ANWAR: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Indian Textile exporters are planning to move up the value chain and are trying to grab a piece of the high margin branded segment in the home textiles;

(b) if so, the details thereof;

(c) whether Indian exporters are expected to face stiff competition from Chinese exporters; and

(d) if so, the steps taken in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Yes, Sir. Various recent studies have recognized that the home textiles, apart from ready-made garments, would drive the future growth of Indian textile exports. The global market size of home textiles, mainly comprising of bed sheets and terry towels, is large in which India is one of the leading supplier country. In order to meet the increasing opportunities, Indian exporters have planned to invest huge amount for producing and processing wider width fabrics and increase the production capacities in the next three years.

(c) Yes, Sir. Indian textile exporters are facing stiff competition from other low cost suppliers like China, Bangladesh, etc.

(d) Government has been taking a number of steps from time to time to strengthen domestic textile industry for meeting the growing global competition. Some of the important initiatives taken are:

(i) 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

(ii) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

(iii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.